

Duke University

Durham
North Carolina
27708-0046

GEORGE L. MCLENDON
Dean of the Faculty
of Arts & Sciences

104 Allen Building
Box 90046
Telephone (919) 684-4510
Fax (919) 684-8503
george.mclendon@duke.edu

November 10, 2008

Dear Colleagues:

Recent events in the financial markets have raised questions about the consequences for Trinity College of Arts & Sciences. President Brodhead has issued a thoughtful statement (http://news.duke.edu/2008/10/brodhead_email.html) that addresses some of these concerns. This note provides more specific information on steps Arts & Sciences is taking to promote our financial wellbeing amid the current uncertainty and guarantee that our future opportunities remain unlimited.

Fortunately, we start from a position of strength. Over the last few years, we've opened world class facilities, launched new programs, recruited more than 150 of the world's best teachers and scholars, and brought in the most diverse, best-qualified students in our history, whom we've been able to support with very generous aid policies. By all these measures, Duke is stronger now than ever before.

After such successes, it is appropriate for us to pause, not only to evaluate our gains but also to plan our next phase of growth and improvement. It is not surprising that the current economic uncertainty is prompting all educational institutions to review their strategic goals. Some will be forced to retreat; others will simply stay put. We are confident, however, that Arts & Sciences will continue to move forward as long as we manage our resources prudently and maintain a clear sense of our priorities. Business as usual simply won't work in these circumstances.

As a result, in tandem with the President, Executive Vice President, and Provost, we have decided on a course to enhance and ensure our financial and intellectual well-being for both the short and long term:

First, effective immediately, I am postponing all hiring of administrative staff within the Dean's Office and related non-academic service units. This postponement does not affect academic departments, with whom we will continue to work on personnel management as we have in the past. Furthermore, unlike many of our peers, we are *not* limiting faculty hiring beyond our normal procedures. In fact, Duke's solid core management of resources and continued momentum may enable us to attract particularly outstanding faculty to join our departmental ranks. We are already seeing evidence of this in recruiting activity this year.

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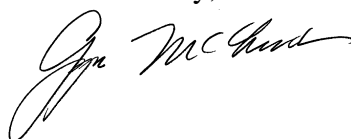
Second, we are temporarily delaying the start of new capital projects associated with Arts & Sciences until we better understand the evolving financial situation, including its impact on debt financing and philanthropy. We will, however, continue the planning process so that we will be able to move quickly when the financial situation stabilizes.

Finally, we are asking all units to identify potential cost reductions of five percent in non-personnel expenses. It is by no means certain that we will have to implement these cuts, but we will all benefit from taking a closer look at operating costs as we seek to strengthen our academic programs. I realize many of us are already contemplating similar options for our own households, and it makes sense to do so for our departments as well. Dean Sandy Connolly's office can assist you in identifying prospective savings and efficiencies.

We anticipate parallel cost reductions in the Dean's Office and related non-academic service units, and are working toward this end. Taken together, these steps will preserve opportunities for focused investment and present a conservative, sustainable financial model during a period of unique uncertainty.

Since the bulk of these measures will occur within the Arts & Sciences administration, we request your cooperation with our remarkable staff during this period. It is our expectation that any challenges will be short-lived, but the limited trade-offs made will strengthen the College going forward. I will address these issues at the next Arts & Sciences Council meeting and look forward to answering any questions then.

Sincerely,

A handwritten signature in black ink, appearing to read "George L. McLendon". The signature is fluid and cursive, with the first name "George" being particularly prominent.

George L. McLendon

GLM:mj